



Steven M. Stimell
Voice: 212-541-2042
Fax: 212-541-1442
smstimell@bryancave.com

February 27, 2012

VIA EMAIL AND FEDERAL EXPRESS

Marc E. Kasowitz, Esq.
Kasowitz Benson Torres & Friedman LLP
1633 Broadway
New York, New York 10019

Daniel J. Fetterman, Esq.
Kasowitz Benson Torres & Friedman LLP
1633 Broadway
New York, New York 10019

Re: Le Parker Méri dien Palm Springs

Gentlemen:

As we have been discussing with you, Starwood Hotels & Resorts Worldwide, Inc. and its affiliates (collectively, "Starwood") has concerns that the SPG reimbursement scheme at the Le Parker Méri dien New York was also being perpetrated at the Le Parker Méri dien Palm Springs. Please be advised that Starwood recently received an Ethics Point complaint alleging that certain employees at that hotel have been engaged for several years in an ongoing similar scheme to falsify occupancy levels in order to extract higher reimbursement payments from the SPG program. The complaint specially identifies Lynne Dibley, the hotel's HR Director, as being involved in the scheme, as well the Front Office Manager, Assistant Front Office Manager, Night Audit and Reservations employees.

Starwood will continue its investigation into these allegations and we are assuming that you will do the same. To the extent your team has not yet preserved all relevant data at Le Parker Méri dien Palm Springs, it is imperative that steps be taken to do so immediately. Please confirm that.

This letter is written without waiving or prejudicing any of Starwood's rights and remedies at law, in equity, and under agreement, all of which are expressly reserved. Please be further advised that any failure or delay by Starwood to notice any default or exercise any rights under any applicable agreement shall not be

Bryan Cave LLP
1290 Avenue of the Americas
New York, NY 10104-3300
Tel (212) 541-2000
Fax (212) 541-4630
www.bryancave.com

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deemed a waiver of any defaults by your client or any rights of Starwood under any agreement or applicable law.

Very truly yours,

A handwritten signature in cursive script, reading "Steven M. Stimell /cfo".

Steven M. Stimell
SMS:cfo

cc: Noah M. Weissman, Esq.